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MACROECONOMIC POLICY QUESTIONS: TRADE AND DEVELOPMENT

Costa Rica*, Colombia**, Japan, Mexico, Norway, Russian Federation and United States of America: revised draft resolution

International trade and development

The General Assembly,

Recalling its resolutions 50/95 and 50/98, both of 20 December 1995, as well as other relevant international agreements concerning trade, economic growth, development and interrelated issues,

Emphasizing the importance of an open, rule-based, equitable, secure, non-discriminatory, transparent and predictable multilateral trading system,

Emphasizing also that a favourable and conducive international economic and financial environment and a positive investment climate are necessary for the economic growth of the world economy, including the creation of employment, in particular for the growth and development of the developing countries, and emphasizing further that each country is responsible for its own economic policies for sustainable development,

Noting with satisfaction the highly successful outcome of the ninth session of the United Nations Conference on Trade and Development, held at Midrand,

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* On behalf of the States Members of the United Nations that are members of the Group of 77 and China.

** On behalf of the States Members of the United Nations that are members of the Movement of Non-Aligned Countries.

South Africa, from 27 April to 11 May 1996, and the strengthened spirit of genuine partnership and solidarity that emerged therefrom,

Expressing its deep gratitude to the Government and the people of South Africa for the hospitality extended to the participants in the United Nations Conference on Trade and Development at its ninth session,

Welcoming with appreciation the generous offer made by the Government and the people of Thailand to host the tenth session of the United Nations Conference on Trade and Development in the year 2000,

Expressing appreciation to the Government and the people of Singapore for hosting the inaugural Ministerial Conference of the World Trade Organization,

I

1. Endorses the outcome of the ninth session of the United Nations Conference on Trade and Development, which was held in Midrand, South Africa, April and May 1996, in particular the "Partnership for Growth and Development", which builds upon various related agreements and conferences, and expresses its political will and responsibility with respect to implementing the agreed commitments;

2. Takes note of the report of the Trade and Development Board on its forty-third session;[2]

3. Welcomes the fact that the United Nations Conference on Trade and Development, as part of the United Nations system and a contributor to its revitalization, has adopted far-reaching reforms, as embodied in the "Midrand Declaration and A Partnership for Growth and Development",[3] adopted by consensu at the ninth session of the Conference, which encompass its programme of work, its intergovernmental machinery and the reform of its secretariat, including it complementarity with the World Trade Organization, inter alia, by making its analysis of trade and development available to the World Trade Organization, and its cooperation with the United Nations Industrial Development Organizatio and relevant organizations, thus adapting itself to new economic and institutional modalities created by the process of globalization, the conclusi of the Uruguay Round of multilateral trade negotiations agreements[4] and the creation of the World Trade Organization;

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[1] See A/51/308.

[2] A/51/15 (vol. II).

[3] A/51/308.

[4] Legal Instruments Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations, done at Marrakesh on 15 April 1994 (GATT secretariat publication, Sales No. GATT/1994-7).

4. Also welcomes the importance attached by the United Nations Conference on Trade and Development at its ninth session to building a lasting partnership for development between non-governmental actors and the Conference and the initiative taken by the Secretary-General of the Conference to hold meetings with relevant actors;

5. Recognizes the role of the United Nations Conference on Trade and Development as the focal point within the United Nations for the integrated treatment of development and interrelated issues in the areas of trade, finance, technology, investment and sustainable development;

6. Also recognizes that the United Nations Conference on Trade and Development, having a comparative advantage in tackling trade-related development issues, should continue to facilitate the integration of developing countries and countries in transition into the international trading system, in a complementary manner with the World Trade Organization and to promote development through trade and investment in cooperation and coordination with the International Trade Centre, relevant institutions of the United Nations system and other international organizations;

7. Invites in this context, the United Nations Conference on Trade and Development to continue, inter alia, to follow developments in the international trading system, in particular their implications for developing countries, and identify new opportunities arising from the implementation of the Uruguay Round agreements;

8. Decides, within this context, that the United Nations Conference on Trade and Development should implement its programme of work with a focus on the issues of globalization and development, international trade in goods and services and commodity matters, investment, enterprise development and technology, services infrastructure for development and trade efficiency;

9. Invites the President of the United Nations Conference on Trade and Development at its ninth session to consider convening a special high-level review meeting two years prior to the tenth session of the Conference;

II

1. Stresses the urgent need to continue trade liberalization in developed and developing countries, including liberalization through a substantial reduction of tariff and other barriers to trade, in particular non-tariff barriers, and the elimination of discriminatory and protectionist practices in international trade relations, which will have the effect of improving access for the exports of developing countries, enhancing the competitiveness of their domestic industries, and facilitating structural adjustment among developed economies;

2. Also stresses the need for the full integration of economies in transition, as well as other countries, in particular through improved access to their exports in accordance with the multilateral trading system, and recognizes in this respect the importance of open regional economic integration of interested economies in transition among themselves as well as with developed

and/or developing countries in creating new possibilities for expanding trade and investment;

3. Recognizes that the World Trade Organization provides the framework for an open, rule-based, equitable, secure, non-discriminatory, transparent and predictable multilateral trading system and stresses that all members of the World Trade Organization should implement their commitments in respect of the Uruguay Round agreements in a full, timely, faithful and continuous manner and that all provisions of the Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations[5] should be effectively applied, so as to maximize economic growth and the developmental benefits thereof for all, taking into account specific difficulties and interests of developing countries;

4. Urges Governments and concerned organizations to implement fully and expeditiously the Marrakesh Ministerial Decision on Measures in Favour of the Least Developed Countries, as well as to effectively apply the Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-importing Countries, as well as the recommendations adopted at the Mid-term Global Review of the Implementation of the Programme of Action for the Least Developed Countries for the 1990s and at the ninth session of the United Nations Conference on Trade and Development as they relate to trade and trade-related issues of the least developed countries;

5. Emphasizes the importance of the strengthening of, and the attaining of greater universality by the international trading system and welcomes the process directed towards accession to the World Trade Organization of developing countries and countries in transition and emphasizes the necessity for World Trade Organization member Governments and relevant international organizations to assist non-World Trade Organization members so as to facilitate their efforts with respect to accession in an expeditious manner on the basis of World Trade Organization rights and obligations and for the United Nations Conference on Trade and Development to provide technical assistance, thereby contributing to their rapid and full integration into the multilateral trading system;

6. Also emphasizes the importance of the inaugural Ministerial Conference of the World Trade Organization, to be held in Singapore, in regard to reviewing the implementation of the Uruguay Round agreements and its built-in agenda, underscoring that the pursuit of this agenda, as well as the international community's handling of "new issues" affecting the conduct of international trade relations, should be carried out in a balanced manner, which takes into account the concerns of all countries, including developing countries;

7. Further emphasizes that the dispute settlement mechanism of the World Trade Organization is a key element as regards the integrity and credibility of the multilateral trading system and the full realization of the benefits anticipated from the conclusion of the Uruguay Round;

8. Deplores any attempt to bypass or undermine multilaterally agreed procedures on the conduct of international trading, by resorting to unilateral

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[5] Ibid., vol. I.

actions, over and above those agreed in the Uruguay Round and affirms that environmental and social concerns should not be used for protectionist purposes;

9. Emphasizes the need for a balanced and integrated approach to environment, trade and development issues;

10. Reaffirms that Governments should have as their objective to ensure that trade and environmental policies are mutually supportive in order to achieve sustainable development and that, in doing so, their environmental policies and measures with a potential trade impact should not be used for protectionist purposes, and reaffirms that positive measures such as market access, capacity-building, improved access to finance and access to transfer of technology, taking into account the relationship between trade-related agreements and technology, are effective instruments in assisting developing countries to meet multilaterally agreed targets, while noting that trade measures can, in certain cases, play a role in achieving the objectives of multilateral trade agreements, while safeguarding a non-discriminatory and equitable multilateral trading system;

III

1. Recognizes the important progress made in understanding the relationship between trade and environment in the Committee on Trade and Environment of the World Trade Organization, as well as in the United Nations Conference on Trade and Development, and in the Commission on Sustainable Development, including the recommendations made at its fourth session, and requests the Conference to continue its work on trade, environment, and development, in cooperation with relevant international organizations including the Commission on Sustainable Development, the United Nations Environment Programme, the Organization for Economic Cooperation and Development, regional organizations, as well as the World Trade Organization;

2. Requests the United Nations Conference on Trade and Development to continue its special role in promoting the integration of trade, environment and development, in accordance with paragraph 27 of General Assembly resolution 50/95 of 20 December 1995, by examining trade and environment issues from a development perspective, in close cooperation with the United Nations Environment Programme and the World Trade Organization and as task manager for the Commission on Sustainable Development;

3. Stresses the role of the United Nations Conference on Trade and Development in the context of the forthcoming special session of the General Assembly for the purpose of an overall review and appraisal of the implementation of Agenda 21;

4. Requests the United Nations Conference on Trade and Development, based on the outcome of the ninth session of the Conference, to identify and analyse the implications for development of issues relevant to investment, taking into account the interests of developing countries and bearing in mind the work undertaken by other organizations;

5. Reaffirms the need to give priority to the problems facing the least developed countries and, in particular that actions, as appropriate, should be taken to assist the least developed countries to maximize the potential opportunities and minimize possible difficulties arising from the Uruguay Round agreements;

6. Requests Governments, organs, organizations and bodies of the United Nations system, and intergovernmental and non-governmental organizations to take concrete measures in order to implement fully and as a matter of urgency the United Nations New Agenda for the Development of Africa in the 1990s, including the measures and recommendations agreed upon at its mid-term review, especially those related to trade and development;

7. Invites the United Nations Conference on Trade and Development, the World Bank and the United Nations Development Programme to improve collaboration between the Conference's country-level programmes for least developed countries and the overall macroeconomic and sectoral policy dialogue in respect of these countries at the World Bank Consultative Group and United Nations Development Programme Round Tables, bearing in mind General Assembly resolution 50/120;

8. Stresses the need to give special attention, within the context of international cooperation on trade and development issues, to the implementation of the many international development commitments geared to meeting the special development needs and problems of small island developing States and of landlocked developing States, as well as to recognize that developing countries which provide transit services need adequate support in maintaining and improving their transit infrastructure;

9. Invites preference-giving countries to continue to improve and renew their Generalized System of Preferences schemes in keeping with the post-Uruguay Round trading system and with the objective of integrating developing countries, especially least developed countries, into the international trading system and stresses that ways and means should be found to ensure more effective utilization of Generalized System of Preferences schemes, particularly by least developed countries;

10. Notes the concern among the beneficiaries that the enlargement of the scope of the Generalized System of Preferences by linking eligibility to non-trade considerations may detract value from its original principles, namely non-discrimination, universality, burden sharing and non-reciprocity;

11. Stresses that Governments, as well as international organizations, should extend technical assistance to developing countries to enable them to participate more effectively in the international trading system;

12. Encourages the United Nations Conference on Trade and Development to further promote South-South cooperation, including triangular cooperation, recalling the results of the Intergovernmental Meeting of Experts on South-South cooperation, which took place in New York from 31 July to 4 August 1995, and the outcome of the ninth session of the Conference;

13. Notes that the forthcoming South-South conference on finance, trade and investment, to be held in San José, Costa Rica, will provide an opportunity for developing countries to advance initiatives related to "A Partnership for Growth and Development", and invites the international community to support the initiative;

14. Requests the Secretary-General of the United Nations Conference on Trade and Development, through the Secretary-General of the United Nations, to present a proposal on savings resulting from improved overall cost-effectiveness achieved pursuant to the ninth session of the Conference, including the restructuring of the intergovernmental machinery and reform of the Secretariat, and to submit a proposal on how to reallocate a part of the savings in the 1998-1999 budget cycle with a view to strengthening the Conference's capabilities in priority areas, including, inter alia, in technical cooperation.